

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 603.
FILED, AUGUST 3rd. 1961.

GAITWIN EXPLORATIONS LIMITED

Incorporated under The Ontario Companies Act by Letters Patent dated May 16, 1944 under the name of Wingait Gold Mines Limited. Supplementary Letters Patent were issued under dates

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 February 8, 1947 and April 15, 1953.
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 380.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	The Company has entered into an Agreement dated June 30, 1961 with Barnat Mines Ltd., providing for the sale by the Company to a Company to be incorporated by Barnat Mines Ltd., of mining claims held under Development License and Mining Concession in Beauchastel Township, Province of Quebec, as described in Item 20 hereof. On July 25th, 1961, the shareholders of the Company at the Annual and General Meeting by Special Resolution confirmed a resolution of the Directors passed July 4th, 1961 approving the said Agreement.
2. Head office address and any other office address.	Suite 906, 11 Adelaide Street West, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director - J.A. Seed, O.C., Barrister & Solicitor, Suite 701, 220 Bay Street, Toronto, Ontario, Partner in Fennell, McLean & Seed. Vice President and Director - W.W. Dennis, Prospector, Suite 906, 11 Adelaide Street West, Toronto, Ontario. Director - John T. Frame, Suite 904, 11 Adelaide Street West, Toronto, Ontario, Partner in stock brokerage firm of John Frame & Co. since April 1, 1961, and Partner in stock brokerage firm of J.E. Grasett & Co. since September, 1958, and Partner in Frame, McFadyen & Co. Ltd., up to November, 1955. Financial Executive. Director - Watkin Samuel, Consulting Mining Engineer, Suite 509, 11 Adelaide Street West, Toronto, Ontario. Director - Andrew Robertson, Mining Engineer, 60 Highland Avenue, Toronto, Ontario Secretary - H.D. Poole, C.A., Corporation Executive, Suite 509, Treasurer) 11 Adelaide Street West, Toronto, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized Capital - 4,000,000 shares of \$1.00 par value Issued and Outstanding - 3,300,003 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Nil
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Nil
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The company is presently examining certain proposals and negotiating for a new venture.

AUG 28 1961

SCHEDULE 'A'

The Agreement dated June 30th, 1961, between the Company and Barnat Mines Ltd. (hereinafter called "Barnat"), provides in substance for the following:

1. The incorporation by Barnat of a Company (hereinafter called the "New Company") with 3,000,000 shares of the par value of \$1.00 each and with a Board of 5 Directors within 30 days after the date the Agreement shall have received the approval of the shareholders of the Company.
2. The transfer by the Company to the New Company of the mining claims held under Development License and Mining Concession in Beauchastel Township, Province of Quebec.
3. The payment by the New Company to the Company of \$37,500.00.
4. The allotment and issue to the Company of 375,000 fully paid and non-assessable shares of the New Company to be held in escrow by Chartered Trust Company, 34 King Street West, Toronto, Ontario, subject to release, transfer, hypothecation, assignment or other alienation only with the written consent of the Ontario Securities Commission, and of such other like regulatory authorities, where required, in such other Provinces of Canada in which, within one year of the date of incorporation of the New Company, the shares of the New Company may be qualified for sale to the public.
5. The allotment and issue to Barnat of 375,000 fully paid and non-assessable shares of the New Company, of which 300,000 shares shall be held in escrow with the same escrow agent and upon the same terms as set forth in clause 4 above.
6. The reimbursement of Barnat by the New Company for all expenses of the incorporation, organization and transfer to the New Company of the mining claims referred to in paragraph 2.
7. The purchase by Barnat from the New Company of a further 375,000 shares of the New Company at a price of 10¢ per share.
8. The granting of an option by the New Company to Barnat to purchase all or any part of a further 725,000 shares of the New Company as follows:
 - (i) All or part of 125,000 shares at 10¢ per share at any time within 24 months from the date of incorporation of the New Company;
 - (ii) All or part of 400,000 shares at 15¢ per share at any time within 30 months from the date of incorporation of the New Company;
 - (iii) All or any part of 200,000 shares at 20¢ per share at any time within 36 months from the date of incorporation of the New Company,the aforesaid option periods to be extended by the length of any period or periods during which the New Company is unable to carry on mining and development operations due to causes beyond its control.
9. The control by Barnat of the New Company for a period of 5 years from the date of its incorporation with the right to nominate 4 of the 5 Directors of the New Company, the fifth Director to be nominated by the Company.
10. The right of the Board of Directors of each of the Company and Barnat to authorize the amendment, alteration or variation of any of the terms and conditions of this Agreement without further approval of the Shareholders of either Company once approval of this Agreement has been given by the Shareholders of the Company.

FINANCIAL STATEMENTS

GAITWIN EXPLORATIONS LIMITED

BALANCE SHEET

AS AT JUNE 30, 1961

A S S E T S

Cash in bank	\$ 55,424.59
Balance due re sale of mining claims (note 1)	50,000.00
Marketable securities - at cost less amount written off (Market value \$1,152.00)	864.00
Investments in other mining ventures - at cost	3,047.90
Mining properties - at cost Beauchastel Township, Quebec, claims(note 2)	24,300.00
Deferred expenditure:	
Exploration and development - Beauchastel Township, Quebec (note 2)	\$ 148,932.39
Administration and general since incorporation	98,667.71
	<u>247,600.10</u>
	\$ 381,236.59

L I A B I L I T I E S

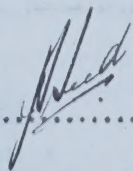
Accounts payable	\$ 1,950.00
Capital stock:	
Authorized: 4,000,000 shares of \$1.00each	<u>\$4,000,000.00</u>
Issued and fully paid 3,300,003 shares	3,300,003.00
Less: Discount	<u>2,246,214.83</u>
	\$1,053,788.17
Deficit	<u>674,501.58</u>
	<u>379,286.59</u>
	\$ 381,236.59

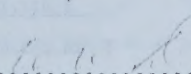
Notes:

- (1) Payment of this balance is to be received:

On or before March 15, 1962	\$ 25,000.00
On or before March 15, 1963	25,000.00
- (2) These claims are subject to sale under the terms of an agreement with Barnat Mines Ltd., dated June 30, 1961, details of which are given in the answers to Questions Nos. 1 and 20 of this Filing Statement.

Approved on behalf of the Board:


Director.


Director.

GAITWIN EXPLORATIONS LIMITED

STATEMENT OF DEFICIT

FOR SIX MONTHS ENDED JUNE 30, 1961

Balance, December 31, 1960	\$ 673,851.58
Add:	
Prospecting expenditures	150.00
Expenses re abandoned projects	500.00
	<u>650.00</u>
Balance, June 30, 1961	<u>\$ 674,501.58</u>

STATEMENT OF DEFERRED EXPENDITURE

FOR SIX MONTHS ENDED JUNE 30, 1961

Exploration and Development

Balance, December 31, 1960		\$ 148,808.65
Add: Insurance	\$ 88.59	
Sundry expenses	35.15	123.74
Balance, June 30, 1961		\$ 148,932.39

Administration and General

Balance, December 31, 1960		\$ 94,053.60
Add: Rent and services	3,000.00	
Transfer agency fees	600.00	
Salaries	600.00	
General expense	7.20	
Legal and audit	975.00	
Government fees and taxes	55.00	
Less: Interest earned	\$ 5,237.20	
	623.09	4,614.11
Balance, June 30, 1961		\$ 98,667.71

Approved on behalf of the Board:

.....Director.

.....Director.

GAITWIN EXPLORATIONS LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR SIX MONTHS ENDED JUNE 30, 1961

Source:

Portion of proceeds of sale of interest in Mystery Lake claims	\$ 31,250.00
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Application:

Deferred expenditure:		
Administration and general	\$ 4,614.11	
Exploration and development	123.74	
Investment in other mining ventures	\$ 4,737.85	
Prospecting	631.25	
Expenses re abandoned projects	150.00	
	500.00	6,019.10
Balance, representing the increase in the working capital as follows:		\$ 25,230.90

	- 1961 -		
	JANUARY 1	JUNE 30	
Current assets	\$ 31,856.41	\$ 55,424.59	
Current liabilities	3,612.72	1,950.00	
Working Capital	\$ 28,243.69	\$ 53,474.59	\$ 25,230.90

Approved on behalf of the Board:

.....Director.

.....Director.

ENGINEERS' REPORT

Note - The following is an excerpt from a report by J.C. Honsberger, B.Sc., P. Eng., dated July 3rd, 1961, on the group of mining claims located in the central part of Beauchastel Township, County of Rouyn-Noranda, Northwestern Quebec Mining Area. A complete copy of the report is on file with the Toronto Stock Exchange.

Summary & Conclusions

The property of Gaitwin Explorations Limited located in the central part of Beauchastel township, County of Rouyn-Noranda, Province of Quebec comprises 751.99 acres in one solid block. It is readily accessible to power line, railway and paved highway and is located in the Rouyn-Noranda Mining area, one of Canada's largest producing areas of gold and base metal ores.

Extensive diamond drilling has been done on the Gaitwin claims and an orebody has been outlined on it's west boundary totalling 193,900 tons of 0.18 ounces gold per ton.

This orebody is the Eastward extension of the Wasamac Mines Ltd. orebody now under control of the Little Long Lac Mines group of companies. The Wasamac Mines orebody contains 2,370,000 tons of gold ore of a near marginal grade.

It is concluded that the orebody on the Gaitwin Explorations Limited is too small to mine by itself. The Gaitwin claims have to be maintained and held pending an improvement in the gold mining situation. Because of the near proximity of the Wasamac Mines Ltd. orebody and because of it's size it would seem logical from the view point of the economy of operations that the two be merged into one operation at some future time when the profit potential for the mining of gold ore is greater than it is today.

All of which is respectfully submitted.

July 3, 1961

15 Meadowacres Drive,
Aginocourt, Ontario.

J.C. Honsberger
.....
J. C. Honsberger, B.Sc., P. Eng.
Mining Engineer & Geologist.

CERTIFICATE

With reference to my Report on the property of Gaitwin Explorations Limited, Beauchastel township, Quebec dated July 3, 1961, I, J. C. Honsberger, do hereby certify and state that:

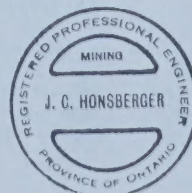
- (1) I am a Consulting Mining Engineer and Geologist with offices at 16 Meadowacres Drive, Aginocourt and 415, 18 Toronto Street, Toronto, Ontario.
- (2) I am a Graduate Mining & Metallurgical Engineer with the degree of B.Sc. (1928 - Queen's University, Kingston, Ontario). I am a member of the Canadian Institute of Mining and Metallurgy, 1929; I am a member of the American Institute of Mining & Metallurgical Engineers, 1944; I am a member of the Corporation of Professional Engineers of Quebec, 1945; I am a member of the Association of Professional Engineers of Ontario, 1944.

I have no interest directly or indirectly, nor do I expect to receive any interest directly or indirectly in the property or in the shares or securities of the company referred to herein.

- (4) I was on this property in July, 1945 but my report is based mainly on my recent conversations with D. M. Giachino, Mining Engineer of Toronto who did the exploration work on the property and to various plans and sections of the drilling loaned me by the company; on Plan C-662, Beauchastel, by the Quebec Department of Mines; on P.R. No. 227, by the Quebec Bureau of Mines; and on the Financial Post Survey of Mines, 1961, Page 255.

July 3, 1961.
15 Meadowacres Drive,
Aginocourt, Ontario.

J.C. Honsberger
.....
J. C. Honsberger, P. Eng.



10. Brief statement of company's chief development work during past year.	<p>The Company took a minor participation in Fort Knox Syndicate prospecting in the State of Maine, U.S.A., in the 1960 season. A number of encouraging prospects were examined but none justified further development and the syndicate was wound up in the autumn.</p> <p>In May, 1960, the Company participated in an exploration syndicate to prospect in the Province of Quebec. The syndicate staked two groups of claims, one of which is being explored this year. Another participation has been taken with the same group in 1961.</p>												
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	None												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Nil												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table><tr><td>J.P. Cannon & Co. Ltd., 372 Bay St., Toronto, Ont.</td><td>Shares</td></tr><tr><td></td><td>223,403</td></tr><tr><td>Burns Bros. & Co. Ltd., 44 King St. West, Toronto, Ont.</td><td>149,210</td></tr><tr><td>Draper Dobie & Co. Ltd., 25 Adelaide St. West, Toronto, Ont.</td><td>116,625</td></tr><tr><td>E. T. Lynch & Co., 55 Yonge Street, Toronto, Ontario</td><td>98,600</td></tr><tr><td>J. E. Grasett & Co., 11 Adelaide St. West, Toronto, Ontario</td><td>269,300</td></tr></table> <p>To the knowledge of the Company the above shares are not beneficially owned by the registered shareholders thereof except that Calcutta Holdings Limited is the beneficial owner of substantially all the shares registered in the name of J. E. Grasett & Co.</p>	J.P. Cannon & Co. Ltd., 372 Bay St., Toronto, Ont.	Shares		223,403	Burns Bros. & Co. Ltd., 44 King St. West, Toronto, Ont.	149,210	Draper Dobie & Co. Ltd., 25 Adelaide St. West, Toronto, Ont.	116,625	E. T. Lynch & Co., 55 Yonge Street, Toronto, Ontario	98,600	J. E. Grasett & Co., 11 Adelaide St. West, Toronto, Ontario	269,300
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J. E. Grasett & Co., 11 Adelaide St. West, Toronto, Ontario	269,300												
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	There are no persons whose shareholdings are large enough to materially affect control of the Company but the present management, by solicitation of proxies may be able to effect material control of the Company.												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><tr><td>9600 shares Titan Petroleum Corporation Limited</td><td></td></tr><tr><td>Cost</td><td>\$28,800.00</td></tr><tr><td>Market value as at June 30, 1961</td><td>\$ 1,152.00</td></tr></table>	9600 shares Titan Petroleum Corporation Limited		Cost	\$28,800.00	Market value as at June 30, 1961	\$ 1,152.00						
9600 shares Titan Petroleum Corporation Limited													
Cost	\$28,800.00												
Market value as at June 30, 1961	\$ 1,152.00												
18. Brief statement of any lawsuits pending or in process against company or its properties.	None												
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	See Items 1 and 20 hereof, and Item 9.												
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>See Schedule 'A' on page 2.</p> <p>There are no other material facts and no shares of the company are in the course of primary distribution.</p>												

DATED August 1st 1961.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.A. Seed"

"W.W. Dennis"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)